



MLO Education & Testing Changes

March 25, 2013





MLO Education & Testing Changes

A Few Housekeeping Items...

- Mute your phone with the mute button or *6
- Time is reserved towards the end for questions
- Use the chat feature for questions
- Materials from this webinar will be posted to DFI's website



Uniform State Test

Uniform State Test (UST)

What is the Uniform State Test?

- ✓ Adopted by 20 state agencies, including Washington to replace existing state tests
 - Delaware, Georgia, Idaho, Indiana DFI, Iowa, Kentucky, Louisiana, Maryland, Massachusetts, Michigan, New Hampshire, North Carolina, North Dakota, Pennsylvania, Rhode Island, South Dakota, Utah DFI, Virginia, Washington and Wisconsin
- ✓ Launches April 1
- ✓ Initially Comes in Two Forms



Uniform State Test (UST)

National Test with UST

- ✓ New Section of the National Test
- ✓ Existing National Test replaced by National Test with UST
- ✓ 25 Questions
- ✓ High-Level State Content from SAFE Act & Model State Law

Uniform State Test (UST)

Existing and New National Test Comparison

Test	# Questions	Test Length	Test Fees
National Test	100 total; 90 scored	150 minutes	\$92
National Test with UST	125 total; 115 scored	190 minutes	\$110

Uniform State Test (UST)

Existing and New National Test Comparison

National Test	National Test with UST
Federal Mortgage Laws (35%)	Federal Mortgage Laws (25%)
General Mortgage Knowledge (25%)	General Mortgage Knowledge (20%)
Mortgage Loan Origination Activities (25%)	Mortgage Loan Origination Activities (20%)
Ethics (15%)	Ethics (15%)
	Uniform State Content (20%)

Uniform State Test (UST)

Stand-alone UST

- ✓ 25 Questions, all scored
- ✓ High-Level State Content from SAFE Act & Model State Law
- ✓ Available only until March 31, 2014

Uniform State Test (UST)

Some Important Points

- ✓ List of state agencies adopting the UST is on the NMLS Resource Center
- ✓ If a MLO has passed the *National Test* and *Stand-alone UST* or the *National Test with UST*, he/she met the testing requirement for all adopting state agencies
- ✓ Passage of the UST does not equal licensure for all state agencies adopting the UST – the MLO must still apply for licensure in those states

Uniform State Test (UST)

What does this all mean?

- ✓ Washington State Test retired as of April 1
- ✓ New Applicants with National Test and Washington Test
 - Do not need additional test(s)
- ✓ New Applicants ***with*** National Test
 - Must pass Stand-alone UST
- ✓ New Applicants ***without*** National Test
 - Must pass National Test with UST

Uniform State Test (UST)

What does this all mean?

- ✓ Existing Licensees
 - No new tests required
 - If ever going to license in another state, consider taking Stand-alone UST before March 31, 2014



Pre-Licensing Education

Pre-Licensing Education Changes

- ✓ Changes only impact new applicants, not existing licensees
- ✓ Effective for applications filed on or after April 1
- ✓ 22 hours of Pre-Licensing Education, including 4 hours in Washington law
- ✓ A few options for meeting this requirement
 - ✓ 20 hr SAFE Comprehensive + 4 hr in WA law
 - ✓ 22 hr WA SAFE Comprehensive
 - ✓ 20 hr SAFE Comprehensive + 2hr in WA law + 2 hr in WA law
- ✓ Washington has no change to Continuing Education requirement



New Applicants on or after April 1

✓ ***Pre-Licensing Education***

- 22 hours, including 4 hours in Washington law

✓ ***Testing***

- Pass National Test and Washington Test; or
- Pass National Test and Stand-alone UST; or
- Pass National Test with UST

✓ ***Apply via NMLS***

✓ ***Fax or Email New MLO Checklist***





MLO Education & Testing Changes

- ✓ Education and Testing changes primarily impact new applicants
- ✓ Changes effective April 1
- ✓ Existing Licensees may want to consider taking the Stand-alone UST to provide licensing options
- ✓ Many more details on the NMLS Resource Center at:
<http://mortgage.nationwidelicensingsystem.org/profreq/testing/Pages/UniformStateTest.aspx>



QUESTIONS?

- Please keep questions general in nature
- Use the chat feature to type a question

If you have a specific question:
email mcamp@dfi.wa.gov
call (360) 902-8703

